

# Routes to tour in Germany

## The German Wine Route

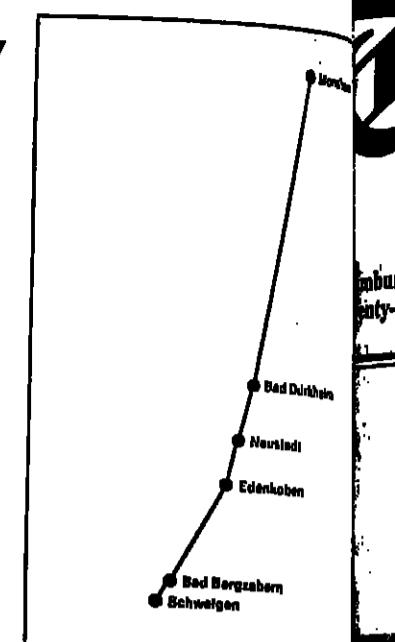


German roads will get you there — to the Palatinate woods, for instance, where 2,000 years ago Roman legionaries were already growing wine. Each vine yields up to three litres of various kinds of wine, such as Riesling, Sylvaner, Müller-Thurgau, Scheurebe or Gewürztraminer. Grapes are gathered in the autumn but the season never ends. Palatinate people are always ready to throw a party, and wine always holds pride of place, generating *Gemütlichkeit* and good cheer. As at the annual Bad Dürkheim Wurstmarkt, or sausage market, the Deldesheim goat auction and the election of the German Wine Queen in Neustadt. Stay the night in wine-growing villages, taste the wines and become a connoisseur.

Visit Germany and let the Wine Route be your guide.

- 1 Grapes on the vine,
- 2 Dorrenbach
- 3 St Martin
- 4 Deldesheim
- 5 Wachenheim

**DZT** DEUTSCHE ZENTRALE  
FÜR TOURISMUS EV.  
Beethovenstrasse 59, D-6000 Frankfurt/M.

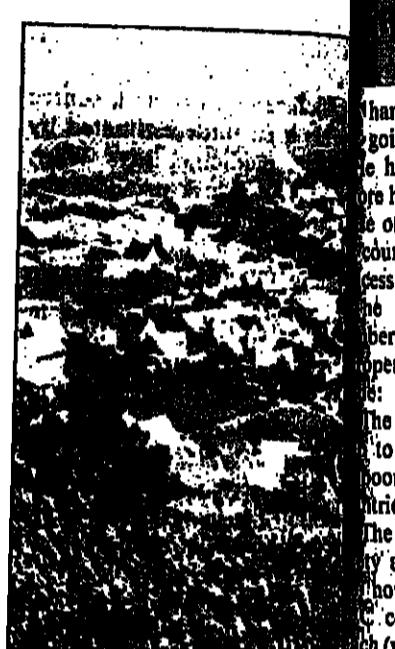


# The German Tribune

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## Kohl finds Europe a hard row to hoe



provisions for Mediterranean agriculture.

The aim behind this pledge is to dispel the reservations France, Italy and Greece have about allowing Spain and Portugal to join the European Community.

At the Brussels EEC summit in March the Chancellor was so keen on harmony that he still felt he sensed cordiality, mutual understanding and a common sense of will.

But they failed to stand up to closer scrutiny in the cold, clear light of reality. A variety of national interests and though the result might be that farm domestic considerations have gained greater importance, both in Bonn and elsewhere.

How else could the Bonn Cabinet have instructed Agriculture Minister Ignaz Kiechle to aim, at the Luxembourg farm price talkathon, at a three-per-cent increase for German farmers?

Bonn must surely know how much better-off German farmers are than their counterparts in other EEC countries and that the Common Agricultural Policy will force the Finance Minister this year, or next at the latest, to rifle the taxpayer's pockets yet again.

A cold chill must creep down the Chancellor's back when he calls to mind the June Stuttgart EEC summit.

As current chairman of the Ten he preferred not to upset the general harmony of the March summit by risking disputes on decisions.

So an unprecedented number of decisions are due to be reached at Stuttgart on topics ranging from youth unemployment,



British Prime Minister Margaret Thatcher and Bonn Chancellor Helmut Kohl at 10 Downing Street. Mrs Thatcher later described the talks as "the best we've had".

(Photo: AP)

## Chancellor at Downing Street

EC finance was one of the main issues when Bonn Chancellor Helmut Kohl met British Prime Minister Margaret Thatcher in London.

But little was agreed: instead, the clouds of another unpleasant budget dispute gathered on the horizon.

Chancellor Kohl flew back disappointed on one point at least: he had wanted more support for moves towards European integration.

But Mrs Thatcher made it clear that she expects Europe to take smaller, more pragmatic steps in this direction.

There was solid agreement on *Ostpolitik* and defence matters and on solidarity with the Americans.

At the Stuttgart EEC summit next month, Mrs Thatcher would like to see a settlement on the dispute over EEC finances. Full steam ahead into the European future would not be possible until Britain had made sure it would pay less into the EEC kitty.

Yet both leaders demonstrated how the most intensive political friendship can be maintained without any real headway being made on major issues. She described the talks as "the best we've had."

Kohl in London created the impression of being an extraordinarily personable politician, serious yet kind-hearted.

Alongside Britain's Iron Lady he cannot have failed to make an impression. In the long run it could prove a substantial contribution toward European unity.

Rainer Bonhag

(Westdeutsche Allgemeine, 23 April 1983)

## The political message behind the Beirut bomb blast

The bomb blast at the US embassy in Beirut was not just a killer; it accomplished a major political mission.

It reminded the United States what political forces are at large in the Lebanon and that a settlement there is impossible unless their interests are taken into account.

The blast is also fresh proof for those who either fail to appreciate or try to ignore how unreliable and fragile any agreement between Israel and Lebanon really is.

Six months ago a similar bomb blast that shook the Phalange headquarters in the heart of Beirut brought to an abrupt end high-flown Israeli hopes, expectations and aspirations.

The Lebanese President-elect, Bashir Gemayel, was killed. His place may have been taken by his brother Amin, but an entirely different political note was sounded.

Now the sole remaining point at issue is Major Haddad, the commander of

Continued on page 15

**WORLD AFFAIRS****Libya: a case for delicate handling**

**R**elations with Libya are at a low ebb again. Eight Germans have been arrested in Tripoli and accused of espionage. They are claimed to have been working for the CIA.

They are arguably being held as hostages for two Libyans currently standing trial in Bonn. The Libyans are presumably friends or supporters of the Libyan head of state and revolutionary leader, Col. Gaddafi.

They have been charged with torturing fellow-countrymen at the Libyan embassy in Bonn.

The Bonn Foreign Office has rejected a verbal protest by the Libyan government that sounded a threatening undertone with regard to the German legal authorities.

Having been referred to the Justice Ministry it was even mentioned in court in Bonn.

It seems reasonable to assume that Libya would like to trade the eight Germans it is holding for the Libyans in the dock in Bonn.

But how is headway to be made without one side or the other losing prestige?

Jürgen Möller, Minister of State at the Foreign Office, flew to Tripoli in a bid to clarify matters. He and his Libyan hosts agreed that ties were worth improving and in need of improvement.

This was a reaffirmation of the cordial relations that have characterised political and economic ties between Libya and the Federal Republic of Germany.

Bonn has never, for instance, taken part in moves by other states aimed at isolating Libya politically.

Libya, for that matter, did not break off ties with Bonn, as other Arab states did, when the Federal Republic recognised Israel and exchanged ambassadors with the Jewish state.

The decision not to do so was taken by the government of King Idris, but it was a policy maintained after the revolution by Col. Gaddafi.

Economic and trade ties have always been splendid. Last year Libya exported goods, primarily oil, worth DM7.2bn to the Federal Republic.

That made Libya Bonn's third-largest supplier of oil imports from Libya were up despite an overall decline in oil imports by Germany.

In 1982 Libya imported goods worth DM2.8bn from the Federal Republic.

For years there have been between 3,000 and 4,000 Germans working in Libya in oil, industrialisation and roadbuilding. There are so many partly because of the level of imports from Germany.

They mostly live alone, away from their families; it is what is a strictly Muslim country, although a few are married to Libyan women.

Nearly a third of Libyan imports from the Federal Republic are motor vehicles, a fifth electrical engineering and a further fifth machinery.

So technological assistance from the country of origin is welcome.

In the struggle against international terrorism Bonn Interior Minister Gerhard Baum sought Libyan cooperation in the late 1970s, but with only limited success.

He too flew to Libya in 1980 to persuade Col. Gaddafi to exercise greater restraint in backing Palestinian terrorists, especially when their activities were, by virtue of their ties with German urban guerrillas, directed against the Federal Republic.

It is now admitted that Herr Baum's visit failed to achieve specific results. The Interior Ministry's expectations were not fulfilled.

The Libyan leaders admire German doctors and medical equipment. Libyan authorities prefer German doctors and clinics in cases where their own are less satisfactory.

Many Libyans from all walks of life have been treated at German university hospitals, including Bonn's, in recent years.

Col. Gaddafi himself (incognito, of course) underwent a thorough check at a Wiesbaden clinic some years ago.

The Libyan authorities also send ordinary patients, people who could not possibly afford medical treatment abroad themselves, to Germany for treatment.

There has been no lack of periodic visits by political leaders. Bonn Foreign Minister Genscher was in Tripoli in 1979; Libyan Vice-President Djallouf was in Bonn in 1981.

Col. Gaddafi, however, has yet to visit Bonn. He has expressed a wish to pay the Federal Republic an official visit. He has been invited and the invitation has been confirmed.

But it is felt that a date ought not to be set until the visit is sure to be a success, and a number of problems first need solving.

From Bonn's viewpoint they include Libyan activities abroad, as in Chad, and the way disputes between pro- and anti-Gaddafi Libyans are waged in other countries.

They also include the alarming conditions under which four Germans serv-

ed as customs officers in Libya.

They were charged with divulging classified information, insulting the Libyan authorities, smuggling and offences in connection with alcohol.

In their case Bonn has long urged the Libyan authorities to make the conditions under which they are held in prison more humane.

Most of these problems, as Bonn sees it, are the result of conditions in Libya, including revolutionary ideas and the special role of the people's committees, whose activities are not subject to government instructions.

Much would be gained if the two states were to agree to respect each other's legal system and political structure, and Bonn would be prepared to do so.

But it expects the Libyan authorities to appreciate that it can neither directly nor indirectly influence German courts and can forbid neither friends nor foes of Col. Gaddafi from expressing their views as long as they do not resort to violence.

The Libyan authorities have also been informed about German legal procedure in connection with convicted foreign nationals, which is that the decision on what is opportune is reached by the *Länder*.

It is they and not Bonn who decide whether it is the national interest to deport a convicted foreigner or make him serve his sentence. *Dieter von König*

(*Kölner Stadt-Anzeiger*, 31 April 1983)

**Questions over death at Berlin East-West checkpoint**

**T**he death of a West German traveller in the GDR raises more questions than can be answered.

The GDR customs officers have only themselves to blame for suspicions that their interrogation methods might have contributed to the death of Rudolf Burkert, 43.

His body was shipped home to Hamburg with an unsatisfactory death certificate saying heart attack and no further explanation. This was certain to give rise to suspicion.

The East German authorities were not very taciturn: they demanded DM2,500 for the transport.

The GDR did not see fit to comment in greater detail until the story hit the headlines, and there was inexplicable foot-dragging by Bonn officials too.

Under interrogation, said the GDR, the deceased had collapsed and fallen from his seat. His head had hit the ribs of a radiator. The interrogation had been conducted in a correct manner, as was usual in the GDR.

This explanation would account for his external injuries. It also tallies with the picture of the dead man with a long, straight cut over one eye.

If only the GDR authorities had accounted for the tragic mishap promptly and in greater detail there would have been no speculation about third-degree treatment by the customs officers.

Bonn ministries responsible for transit traffic through the GDR to and from West Berlin have yet to register a case in which violence has been used in interrogating transit travellers.

"We would be most surprised if Herr Burkert's death were to turn out to have been the result of maltreatment," says a Bonn Ministry official.

True enough, in transit traffic to and from Berlin there are constant complaints and disputes about the interpretation of the transit agreement, which forms part of the Four-Power Agreement on Berlin.

But they are few and far between in relation to the numbers of travellers, and cases of genuine harassment by GDR customs or People's Police officers are rare.

Since the Four-Power Agreement took effect in June 1972 the number of overland travellers to and from Berlin has more than doubled to 16 million a year.

This figure alone shows how much more smoothly traffic now runs, and over the entire period about 1,200 Germans and 100 foreigners have been arrested by the GDR authorities for misuse of the transit routes.

The overwhelming majority were brought to book for trying to help would-be refugees to escape from the GDR or for leaving the transit route.

Other charges have been causing a serious traffic accident, drunken driving, breaches of customs and foreign exchange regulations and espionage.

All complaints are raised and dealt with at meetings of the joint transit commission, which has just held its 73rd session.

There are several hundred complaints a year. The commission is said not to keep a record of the exact number. It is a very small proportion in view of the number of travellers.

Most complaints are about extremely high fines for speeding (up to DM300 or more), about people being turned

**HOME AFFAIRS****The government is over the first hurdle: now it goes on to the next**

back at the border without and about what has seemed a growing number of random

By the terms of the transit agreement it is not allowed to take receipt of material, to give lifts, to leave the transit route, good reason, to commit crime or to contravene the higher

The Bonn coalition has organised itself quickly following the election: the top jobs have been allocated, money for the immediate future has been decided, and points of disagreement have been quietly set aside.

If there are specific reasons specifying a transit traveller of any of these regulations he may be checked.

The number of spot checks has certainly increased, from 291 to 604 last year. In none of these were suspicions borne out; there would have been more

Motorists who drive through the GDR to Berlin and stick to the rules not, as a rule, be worried. The cause could well be a dispute involving Franz Josef Strauss, something the volatile Bavarian is always capable of.

But such a dispute would probably be confined to CDU versus CSU. It

At the meeting place he has goods. His passenger said the sweets and sports budget. They said they were seat belts, a long a clock.

Difficulties often occur when unforeseen happens, as in the case of the young man who down on Whit Sunday.

He had to wait a day and a breakdown van arrived. All cut and drink was half a donut he happened to have

The GDR border guards would him out of the country until checked his story, which is hard to believe.

In another case a schoolboy hitchhiking from West Germany was involved in a accident.

He was given medical attention questioned by the People's Police then dumped by them at a filling station.

Since travellers are not allowed to pick people up en route he was mounted attacks on the "red city police". Now the SPD is gearing its to bounce back and retake them,

Conawitter said jubilantly after his election: "The Social Democrats have won the SPD 1970s behind."

It was referring to the party's fac

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that was when the present Mayor, Kiel of the CSU, was voted in.

Since 1970 the SPD has lost an enormous amount of ground in the cities. It lost three major cities of symbolic

Munich, Frankfurt and Berlin. That remains in Bavaria is Aschaffenburg, Augsburg and Würzburg if one regards the special case Nuremberg

Unschlechter has managed to remain in control despite quarrelling with party.

Hesse, the Social Democrats still Darmstadt and Kassel -- with the Greens. But in Frankfurt, Wallmann (CDU) has managed to update image that adds up to a mark of Christian Democratic municipal politics.

The SPD position in Baden-Württemberg is even weaker. In Stuttgart,

ity and would mean that the people would consider their government incapable and, ultimately, dishonest.

The other major source of danger to the coalition lies in security and alliance policy. Helmut Kohl and Hans-Dietrich Genscher want to implement the two-track Nato missiles decision together with America if the Geneva arms limitation talks bring no results by the end of the year.

Pressure against this will grow rapidly in the next few months: in the Bundestag, in leftist publications and in the streets.

The peace movement now has an extended arm in the form of the Greens in the Bundestag.

The peace movement hopes, with good reason, that the SPD is getting closer to rejecting the missile deployment. It also pins its hopes on strong segments of the trade unions.

We must be prepared for the use by the peace movement of violent masses to spearhead the protest against the deployment of US missiles.

In this situation, the coalition could be tempted to urge Washington to make ever new compromise proposals in Geneva and, ultimately, to postpone the missile deployment.

Kohl and Genscher would have to resist this from the very beginning because if the Western arms buildup founders on the Federal Republic of Germany the very core of the Western Alliance would be destroyed.

And if this were to happen the Bonn government would lose both strength and reputation.

*Johann Georg Reissmüller*  
(Frankfurter Allgemeine Zeitung für Deutschland, 22 April 1983)

**SPD arms itself for assault on the citadel of Munich**

Manfred Rommel (CDU) has become something like the living proof of the contention that even difficult cities are governable and that they can in fact be governed with a liberal hand.

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Only where social structures have remained intact has the SPD managed to hold its position: Heinrich Eickelbeck in Bochum, Horst Katrin in Bremen, Manfred Urbanski in Herne, they all seem like archetypes of a region where industry, public services and SPD are more closely knit than anywhere else.

There is, however, a small consideration for the Social Democrats in their tedious search. There was a time when anyone who wanted to make a career in the party moved to the centre of power. But Klaus von Dohnanyi left the centre to go to Hamburg, and was successful. Rolf Böhme has demonstrated in the difficult city of Freiburg that it can be rewarding to turn one's back on Bonn.

Such facts are no guarantee of success for the SPD, but they do offer a chance.

Acting along these lines, Heidelberg's Social Democrats want to import Albrecht Müller from Bonn to stand in the municipal election. Müller was the Helmut Schmidt's imaginative 'chief' of planning at the Chancellery.

*Günter Hofmann*  
(Die Zeit, 15 April 1983)

In all correspondence please avoid your name. Your address appears on the stamp.

## ■ PEOPLE

## Nation pays its tribute to a German intellectual

**DER TAGESSPIEGEL**

**R**ichard Löwenthal, publicist, SPD ideologue and independent intellectual par excellence, has turned 75.

Löwenthal made an international name for himself as a scholar and researcher of world communism and analyzer of the West's political culture.

He has been an active SPD member since the 1930s — after a brief spell as a communist student leader — and is the deputy chairman of the Social Democrats' basic values commission.

The SPD marked his birthday with a major celebration in Bonn and the nation paid tribute to the scholar with the award to him by President Karl Carstens of the *Großes Bundesverdienstkreuz mit Stern*, one of the most coveted German orders of merit.

To mark his 70th birthday five years ago, Berlin's Free University held an international academic symposium, presenting Löwenthal with a voluminous special publication with contributions by fellow academics and German and foreign politicians. He was also awarded Berlin's Ernst Reuter Plaque.

All these marks of homage testify to the world-wide esteem in which Löwenthal is held and bear witness to the extensive range of his activities.

"Rix" — as his friends call him — can look back on a life full of ups and downs and intellectual adventure marked by singlemindedness of purpose and the personal charisma it takes to put one's stamp on an era.

He owes his success to his unflinching energy, his lively intellect, commitment to a cause and the undaunted courage with which he has repeatedly intervened to bring order or clarity into a confused era.

He earned his Ph.D. at Heidelberg University in 1931. Immediately after Hitler came to power and banned the SPD, Löwenthal joined the socialist resistance group *Neu Beginnen* (New Beginning).

Together with this group, he went first to Czechoslovakia (in 1933) and later to Britain.

In these two countries and in France he published a great many essays under the pseudonym Paul Sering, which was soon to become widely known.

After the war, he was first a foreign correspondent of the London *Observer*, working for a while in Yugoslavia and Germany. Back in Britain, he became the paper's foreign affairs commentator.

By that time, he already had a firm reputation as a publicist throughout the English-speaking world.

On the German Social Democratic scene, Paul Sering made a comeback in early 1947 with his much quoted *Jenseits des Kapitalismus* (Beyond Capitalism).

He wanted the SPD to become a clear political part of Western democracy while acting as an economically independent "third force" between capitalism and communism in its ties with other socialist parties in Europe.

At that time, Löwenthal still regarded himself as a Marxist. But he later pub-

licly revised large passages of this concept under the impact of Europe's post-war history.

Much of his subsequent work was devoted to the analysis of the structures and trends of world communism, with special emphasis on the Soviet Bloc, China and the Western communist parties. It was here that he excelled with undisputed mastery and authority.

In recognition of his expertise in this field he was appointed to the Otto Suhr Institute and the Eastern Europe Institute of Berlin's Free University in 1961. This marked the final transition from journalistic to scholarly work.

Löwenthal instantly expanded his academic work beyond Berlin by attending many international congresses abroad, by becoming a member of several foreign societies, by lecture tours and by research work in Stanford, Tel Aviv, Oxford, New York, Berkeley, North Carolina and many other places.

All important Western publications have been open to him and have welcomed his foreign affairs and cultural analysis.

He was for many years the top politi-

A professor of philosophy, Waldemar Schreckenberger, is Chancellor Kohl's chief administrator — that is, State Secretary at the Chancellery.

Schreckenberger has been a close friend and confidant of the Chancellor for a long time — they were friends at school.

His baptism at Bonn was one of fire. It happened when during the final phase of the coalition talks, the general secretary of the CSU, Edmund Stoiber, accused him of keeping the minutes incorrectly.

Schreckenberger's denial was abnormally sharp for a normally restrained person.

Making mock of himself, Schreckenberger once described himself as a "sort of failed scientist."

He admits that he found it "more tempting to be able to influence political processes than to lead a professorial life."

And indeed, the post in which he has succeeded Globke, Carstens, Ehmke, Schüler, Konow and Lahnstein is the most influential administrative position in Bonn.

As a former department head in the Rhineland-Palatinate government, head of the State Chancellery and state Minister of Justice, Schreckenberger has plenty of experience to fall back on.

The fact that he is a schoolfriend of Kohl furthered his career in Rhineland-Palatinate and the personal trust the Chancellor puts in him has earned him his present post.

A perfect understanding between the Chancellor and his chief administrator has been essential for this office for all Chancellors from Konrad Adenauer to Helmut Schmidt.

Schreckenberger's career began in 1960 — not as a university professor but as *assessor* in a district government in Rhineland-Palatinate. This was so despite the fact that he was the assistant of Werner Maihofer (one of the fathers of

cal adviser of Willy Brandt. He and Brandt wrote a biography of Ernst Reuter which was published in 1957.

Later, he supported Helmut Schmidt's efforts to keep the SPD on a course committed to the Western alliance.

In the past few years, Löwenthal has repeatedly tried to persuade the Social Democrats from going along with short-lived fads and flirting with the "alternative scene." He has stressed that the Social Democrats' main function is to promote and uphold the social interests and democratic traditions of industrial labour.

He has occasionally clashed with his old friend Willy Brandt, as during the student unrest of the 1960s.

He was so disturbed by the higher education policy of the Social Democrats that he helped to establish the *Bund Freiheit der Wissenschaft* (freedom of science federation) becoming the organisation's first national president.

He opted out of the federation later when he felt that a conflict with the SPD was in the offing.

Here, too, it became obvious that Löwenthal's intellectual and political home is the SPD, despite his criticism of his outbursts when others tried to be pressured by hard-nosed VW ways been quick to revert to order to make sure of a Rabbit diesel.

The oil crisis has long been forgotten. We all and our still-young children cannot afford not to take advantage here and there at less than a dollar a gallon again.

The Rabbit, after having emerged the winner of the 1979/80 crisis, is currently in the throes of the most severe crisis it has undergone since being launched in the US market.

Enberger has no politician who guards us as an ideal.

He prefers to lean on such insophers as Kant, Descartes and

muell von Puffendorf. As he says, "They want economy models, but not the exception rather than the rule,"

politicians to come up with good ideas.

This cautious aloofness from gedly all-encompassing creation of politics — and hence also from his own Chancellor — has not from his own Chancellor to Schreckenberger's command, a General Motors division, has tentism. But this did not prevent him from taking a hand in forming a school concordat between the Parisienne and the Rhineland-Palatinate

and the US market are larger

models, and VW of America has none.

What US motorists want are larger cars, and VW of America has none. The largest Cadillac dealer in the United States is running an advertising campaign with the slogan: This is your chance to buy a full-sized Cadillac; lines of the British BBC and ITT.

Only with occasional statements he differed with the prevailing

view that the squatting

should be solved by using the code as an instrument.

Unlike most politicians, Schreckenberger is not bent on image

and this along with his friend Kohl played a major role in his appointment.

Ever since Globke, the Chancellery has been held by smooth-tongued or, as Schreckenberger "pragmatically serving" administration rather than men with ambitions own.

Though "the spirit of Globke" gone from the Chancellery, the requirement of smooth functioning remained unchanged.

So far, there have been no major mistakes made at the Chancellery, none have become known.

Schreckenberger heads the officials, organisers, agenda-chancellor and personally shielded

Since Kohl is inclined to see

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THE GERMAN TRIBUNE

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Richard Löwenthal... active

## BUSINESS

### Bunny on the run: US sales of VW Rabbit plummet

Weiner, VW of America's head of marketing and sales.

But there has been a steady downturn since summer 1981. Last year alone the Westmoreland assembly lines were shut down for 23 weeks.

In January 1983 the facility was closed for a fortnight and second-shift workers were fired once and for all. But orders were not even enough to keep a single shift in constant employment.

In May and June the company is ordering a shutdown for another fortnight to reduce the stockpiles of unsold cars, and it is doubtful whether two weeks will be enough.

In the first 10 days of April only 111 Rabbits were sold, or roughly 57 per cent fewer than last year, while the Rabbit's share of the US market has slumped from a poor 1.8 to an abysmal 0.6 per cent.

The assembly works were designed for a daily output of roughly 1,000 cars. No-one can tell whether that many will quickly be sacrificed.

Wages at VW are now as high as at Ford and General Motors and a little higher than at Chrysler. The Westmoreland works does not break even until output is at 85 per cent of capacity.

Other manufacturers reach break-even point sooner, but as Mr Weiner points out, "no-one can make compacts at a profit when production is running at 50 per cent of capacity."

If the Rabbit were to sell at a profit people would have to be prepared to pay much higher prices, and they have long ceased to be prepared to do so.

Volkswagen of America has sold itself so hard as an all-American corporation that the Rabbit may have forfeited any exotic attraction it might have retained.

"In a flight of fancy we Americanised the Rabbit too much," Herr Hahn is quoted as saying in an interview with *auto motor sport*.

"We made the mistake of designing our US model in such a way that a European would have driven straight into the first ditch with it," he said.

That was a performance rating customers could buy less expensively from other US manufacturers. What was more, trouble with the fuel injection and exhaust harmed the Rabbit's reputation.

Volkswagen no longer enjoys the reputation of manufacturing a particularly high-quality car, and deliberate re-Europeisation of the Rabbit has failed to remedy this.

It may now have tauter suspension and a redesigned interior, but too many compacts on sale in the US market are the splitting image of the Rabbit.

It Japanese competitors, manufactured by Toyota, Honda and Nissan, have a higher reputation these days than the US-made German car.

"Volkswagens aren't as highly rated as Japanese cars," says Dan Cass, a car dealer based on the outskirts of New York.

He is busy trying to sell his last VWs at a discount and plans to concentrate entirely on BMWs in future. He feels the BMW is a better seller.

What he probably means is that Volkswagen of America is in its predicament because it had too much entrepreneurial freedom.

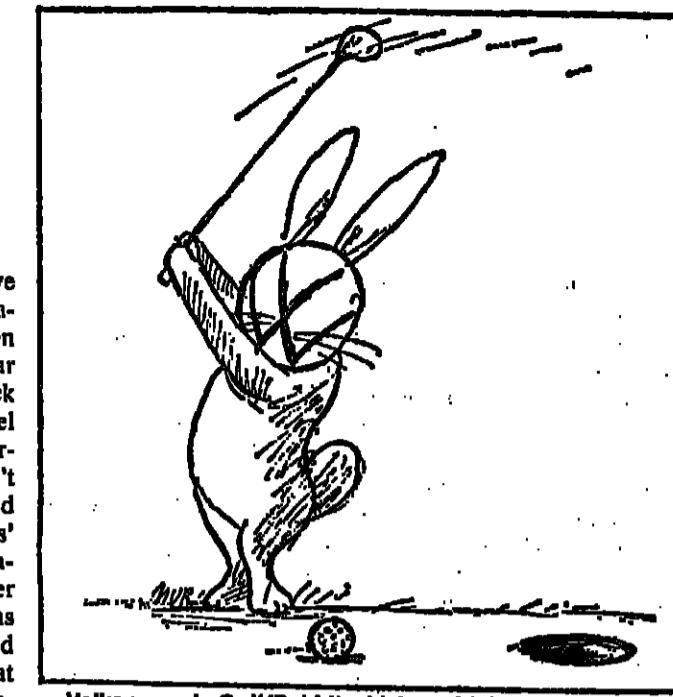
Herr Hahn took the VW Beetle to America in the 1950s and 1960s and set Volkswagen up in business in the United States.

What he probably means is that Volkswagen did not keep as close enough a check on its US subsidiary's operations.

His predecessor, Toni Schmücker, let Mr McLernon have his head.

There can no longer be the slightest doubt that he did not put this entrepreneurial freedom to best use.

Even though the Westmoreland works have only been in operation for five years its facilities are no longer up to the latest requirements and VW's



Volkswagen's Golf/Rabbit: driving with the wrong club. (Cartoon: Luis Morschete/Bildzeitung)

can Motors Alliance and the GM, Ford and Chrysler compacts are all well ahead of the Rabbit in sales.

So the smallest VW sold in the US market runs a risk of suffering a fate similar to that of its predecessor, the Beetle, which was a roaring success as an oddity in America and was not withdrawn until it was practically no longer saleable.

America, says Peter Weiner, is the world's most innovation-addicted market. In it the VW compact is increasingly assuming the role of a white elephant that worries Volkswagen dealers stiff.

Dealers are in a gloomy mood. In January they issued a statement to the effect that they were totally demoralised and had doubts as to the future because the present was so bleak and desolate.

Peter Liebman owns one of the largest VW dealerships in the United States and is chairman of the dealers' advisory council.

He would prefer to say nothing at all. "If you have nothing positive to say, you might as well say nothing." But after lengthy reflection something positive does occur to him.

Only the Honda Accord, he says, can measure up to the Rabbit. Its other competitors are all worse.

The Rabbit GTI, launched about six months ago, was extremely well received by the US public, while the VW Santana and Passat, marketed as the Quantum in the USA, were absolutely superb; the Americans had merely yet to appreciate them.

As an experienced car salesman he has a tale or two to tell of how little interest Americans can have in things technical.

He also sells Buicks and regularly has to work hard to persuade potential customer to test-drive the new model. Their last car was a Buick; it was fine, so why should they bother driving round the block in the latest one?

Most customers, he says, couldn't care less that the new Buick has a front-wheel drive, a new chassis and an up-to-date engine.

Technically the VW has much to offer, as this lack of customer interest is a sales handicap.

Auto advertising in the United States is unbelievably aggressive, conveying the impression that even sedate family saloons mainly serve the purpose of making a getaway from hired killers in the streets of San Francisco.

So Volkswagen try to sound a different note by emphasising German engineering, and with a medium of suc-

Continued on page 19



Waldemar Schreckenberger... the restrained professor.

(Photo: Bundesbildstelle)

the Freiburg FDP programme) during his doctoral work in Saarbrücken.

On top of his government work — he had meanwhile become the Head of the Department for Legislation and Administration at the Rhineland-Palatinate Chancellery in Mainz — Schreckenberger took time off to earn himself a professorship. The leave of absence was granted to him by Helmut Kohl, then prime minister of Rhineland-Palatinate.

Schreckenberger has no political idols, not even Konrad Adenauer whom, as he says, he considered too authoritarian when he was young.

Unlike Kohl, who like no other post-war chancellor lays claim to being the successor of famous statesmen, Schreck-

Continued on page 19

## HANOVER TRADE FAIR

# Computer technology steals the show in a competitive field

**C**omputer technology was the big success at the Hanover Trade Fair. In cold business terms, nothing else touched it.

But interest overall was high and the question now is: will the great interest shown at the world's largest capital goods fair be reflected in orders?

Data processing and communications technology is benefiting from the rationalisation of office work. The aim is to do two things at the same time: cut back on wage costs and cope with ever-increasing amounts of data.

Equipment is getting smaller all the time, meaning that it is becoming more and more practicable for office use.

Sales in other branches of industry were well behind. One spokesman for the fair said he knew of only one really large order outside the communications technology field: a DM1.2m order placed with a German plant and equipment supplier.

Business in the plant and mechanical and electrical engineering, the pillars of the capital goods industry, would have to pick up considerably in the next few months if interest at Hanover were to be reflected in orders.

But there is no sign so far that German industry as a whole is prepared to

invest more this year than it did in 1982, which was a poor investment year.

It is almost impossible to assess the many specialised "fairs within a fair" that, after a long and arduous restructuring process, now make up the Hanover Fair.

There were great differences in all sectors; the broad sector of precision mechanics, for example, where efforts to streamline production processes still proceed.

The same applies to propulsion and conveyor technology.

In the machine tools and welding sectors, there was plenty of interest in the exhibits but there was no marked improvement in business.

In steel there were some signs of better business. But this was primarily due to the need to restock inventories.

The Hanover Fair reflected the growing complexity of modern technology. Systems that transcend specific branches of industry are gaining ground constantly, as shown by the increasingly intensive use of electronics in mechanical engineering.

This also makes it increasingly difficult for the potential buyer seeking solutions to his particular problems to obtain a clear picture.

All this has forced the Hanover Fair

to restructure and depart from the previous strict division comprising branches of industry in favour of a comprehensive alternative.

The so-called microtronics section in Hanover is a telling example that marks the beginning of this process.

Microtronics is the interplay of various sectors of industry such as mechanical and electrical engineering, office and communications technology, energy technology and conveyor and transport technology. The organisers' aim here was to demonstrate the complex applications of the exhibits to a potential buyer.

In the machine tools and welding sectors, there was plenty of interest in the exhibits but there was no marked improvement in business.

There were no technical sensations at the fair but there were many technical novelties that were further developments of existing equipment.

Some examples: the world's first compact neon light housed in a light bulb rather than in a tube. The bulb fits any normal socket.

The 12-watt version of the Centralux light corresponds to a conventional 60-watt bulb. There is also a 16-watt version. Both are ignited by a special electronic starter. It will take a few months before the new light bulbs made by Osram GmbH become available to the public.

All this has forced the Hanover Fair

made specially for artisans and market gardeners. The open generator is surprisingly small, cover bad debts. Dresdner Bank has four-stroke engine is started outside DM850m and Commerzbank petrol. Once going, it switches to diesel. (Makers themselves.)

This portable unit, which weighs 700kg, will run for three hours. Bad debts that have not yet received themselves.

These figures for risk provision are because bank business, as in all hunting lodges will benefit from years, was good last year. portable hydroelectric plant during a few post-war years can match no foundations nor any light for bank profits.

It is simply put straight to its divided (Dresdner's stayed the strem. The plant provides a 100kW and Commerzbank paid nothing) 220 volts at 50 Hz with the help of another reason: the risks both at electronic regulator. The output end abroad are increasing.

It is known about the future. (Österreichische Weltwirtschaftsversammlung, Selbersdorf) Companies are going into Vienna.)

There was also a mobile high-performance generator that can be used in some examples: AEG-Telefunken any automobile engine. The gasoline going to the wall only by useful as a source of energy for proceedings which resulted in cal tools in areas that have not been paying just 40 pfennigs in the market supply. (Goddard Enterprises, Australia.)

Companies in financial trouble include those in East Bloc countries: communications sector. A portable importing developing countries; device makes it possible to threshold countries like Brazil and leograms directly by radio. Argentina; and even oil-exporting (OPERA) is the size of a small countries like Mexico.

calculator. The owner is alerted by individual borrowers is bration or buzzing sound to bring new for banks. What was new message of up to 160 units since 1982 was the large number of them. The decision the banks made many ago to enter into international business that no longer serves classical financing has lent a new dimension to bank balance sheets. Ever since

the decision, German banks have been lending purely financial credit to foreign countries, government banks and in Augsburg, a subsidiary of government-owned enterprises.

werk Karlsruhe. The largest risk with which bankers have always had to live (creditworthiness of supplier) is the Swedish firm AB Volvo, which had to live (creditworthiness of the biggest in the world is the borrower, fluctuating exchange and interest rates, disparity between the default of individual borrowers is brought into play for banks. What happened was that bankers were extended under the pressure of

Chancellor Helmut Schmidt's gentle but firm persuasion.

This has made country risks an explosive problem for the banks. Now there is talk of more stringent banking supervision even in the United States.

In Germany, the Bonn government, the Bank Supervision Authority and the Bundesbank must stand by with liquid funds to bail out banks should they find themselves in trouble.

As a result, German banking laws should include the obligation for banks to present the Bank Supervision Authority with consolidated balance sheets that would make it possible to check whether parent and subsidiaries combined have exceeded the permissible credit volume which is based on a bank's own capital.

Since the necessary amendment of the Banking Act has been put aside by the Bonn government due to pressing other business, the Bank Supervision Authority depends on a gentlemen's agreement.

Under the agreement, 31 banks have volunteered to permit some such checks. This was a tough decision for many of them because it means that they either have to reduce their volume of business to stay within the limits set by their own capital or have to seek new capital.

But what is a chief bank executive to do when he is unable to raise new capital at a particular time? This has prompted Wolfgang Seipp, chief executive of Commerzbank, to ask whether it is not incompatible with the board's duties under company law voluntarily to enter into a gentlemen's agreement that could have a negative effect on earnings.

Who knows whether German bankers would have ventured into international business had they known the dangers that lay ahead?

Rudolf Herl  
(DW Zeit, 15 April 1983)

## Robots: the miracle-or-monster argument rages on

"see" and "feel" the materials they work on.

As a result, they know exactly how to assemble, weld, measure or align the individual part.

The main power behind the development of robots is the auto industry which now employs 60 per cent of these iron workers.

But the makers say their "programmable mechanical workers" are vital for the survival of German industry.

Only those who use this miracle instrument in the future will be able to stand up to tough competition and maintain their income and affluence," says a spokesman for the Sekuris-Ingenieursgesellschaft.

If this chance is used, he maintains, Germany and Europe will enter the next century as an industrial power to be reckoned with. If not, they will degenerate into economic provincialism.

Thus even many makers of robots put some unwarranted faith into their capabilities. The new trade magazine *Roboter*, whose first issue came out just in time for the fair, says that "the days are over when it took courage even to say the word 'robot'."

The magazine blames the media for the horror vision the public associates with the machines.

As the magazine puts it: saying "the robots are coming" spreads as much fear as the cry "the Indians are coming" did in the Wild West.

To start with, robots are nothing but automata. Only microprocessor technology has made it possible to programme these machines so that they can carry out a variety of commands.

By now, the iron workers who do the welding, spraying, stacking of, crankshafts and turning of sheetmetal are an integral part of the auto industry.

It is still unknown to what extent robots supplant human labour.

The Institute for Production Technology and Automation of the Stuttgart-based Fraunhofer-Gesellschaft estimates that half of today's 1.2 million assembly line jobs in this country are endangered.

But forecasts on the robots' effects on

automation boil down to replacing people by machines.

But experience in the auto industry, the biggest user of robots, seems to disprove this.

In 1981, Germany's auto-makers employed 660,000 people, 78,000 more than ten years earlier. The number of autos made in Germany did not rise but decline in that period: from about four million in 1971 to about 3.9 million in 1981.

Last December, Opel chief executive Ferdinand Böckeler told the American Chamber of Commerce in Germany that growth did not "manifest itself in the number of units but in more sophisticated and more complex technology and hence the higher value of the vehicles produced."

There are now 3,500 robots working in West Germany, 1,200 more than a year ago. Sweden is the world leader in the use of robots, outstripping Japan.

The two countries next in line, the USA and Germany, use roughly the same number of robots relative to their size.

Since human labour is predominant in the assembly of dishwashers, radios, typewriters and TV sets, experts estimate that there is a vast scope for robot expansion in these sectors. As a result, the advance of robots in these industries will be faster than elsewhere.

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jobs are full of uncertainties, except for the obvious fact that rationalisation and

automation will lead to a reduction in the number of units produced.

As a result, many small companies disappear from the market because they are not able to compete, involving as it does governments, industry becomes a real money

In fact, even large corporations run out of steam, as shown by the Westinghouse takeover of

The reasons for the use of robots widely. While Japan uses them to replace labour according to Daimler-Benz head of production Werner Niefer, Europe is primarily interested in more flexibility than cost.

Daimler-Benz boosted its labour force by 50 per cent in the past five years, using the extra labour only for the manufacture of extras. The pollution and noise abatement regulations in various countries also require additional staff, both in the production and the development sectors.

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automation will lead to a reduction in the number of units produced.

So what robots replace is not necessarily linked with the Euromarkets?

## FINANCE

# Bank lending risks: it's a whole new ball game

term, roll over the refinancing interest to the borrower.

This eliminates any risk due to changing interest rates for the lending banks because the borrower bears the burden of rising interest rates,

What happened was that, in 1979, the year of the second oil shock, the countries where creditor banks are located were able to get so deep into debt in the first place. The Euromarkets are operated by all institutions engaged in international banking — not only through their national parent companies but also and above all through their branches and subsidiaries in the Euromarkets and places where they benefit from cost advantages.

In these places, such as Luxembourg, London, the New York Free Trade Zone, the Cayman Islands, Hong Kong, Singapore and Bahrain, the business volume has increased, by an average of 25 per cent a year over the past ten years. And the bank supervision authorities in the home countries of the parent banks knew nothing about it.

But the recession put pressure on world market prices and promoted protectionism in the industrial nations.

The permanent rescheduling candidates (Sierra Leone, Sudan, Togo, Zaire) were joined by such threshold countries as Brazil and even oil-exporting nations like Mexico, Iran and Nigeria. They were no longer able to service principal and interest repayments on schedule. Rescheduling applications mounted as a result.

Because of the slump at home, many German banks lost their traditional credit customers after 1974. They sought and found new customers in the East Bloc and the Third World.

But many of the East Bloc deals that are worrying them today were not entirely voluntary. The last loans given to Poland — which should never have been granted, as the banks know today — were extended under the pressure of Poland's central bank, the National Bank of Poland, which had to live up to the terms of the loan contract.

Some 140 makers now share the risk of developing countries under which money is borrowed and lent. The new risk is that the loans given to developing countries under the name of country risk.

Competition is tough and sending themselves unable to answer two questions: would all borrowers abroad sell below cost?

So anybody who wants to buy a car in the country where the borrower is in a position to provide the foreign exchange is at a disadvantage.

The explosiveness of the risk is enormous, involving as it does governments, industry becomes a real money

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So what robots replace is not necessarily linked with the Euromarkets?

Henry Ford's assembly line.

Autos have been produced in

Stuttgart-Zuffenhausen.

(Head of the Bank Supervision Authority, Inge Lore Böhme).

Germany is also rather liberal in the handling of country risks in balance sheets. America and Britain would like to see the Bonn government press the banks to arrive at a uniform method of balance sheet adjustments for accounts receivable from abroad.

The prevailing view in Britain and America is that adjustments are unnecessary if rescheduling operations are assisted by the IMF, which would indicate the likelihood that a country will get back on its feet.

In Germany, there are no prescribed minimum quotas for balance sheet adjustments. The amount is decided by the board, which acts in its own right though sometimes urged by the Bundesbank and the Bank Supervision Authority.

Manfred Meier-Peschany, Dresdner Bank board member in charge of foreign business: "It would be wrong to lump all countries together. For some countries, rescheduling operations are not enough. They have to have the durations of the rescheduled loans extended."

As a result, adjustments in the balance sheet depend on each individual case and on the bank's ability to make an adjustment, i.e. its profits.

For example, balance sheet analysts say that Deutsche Bank has made a full adjustment for its Polish credits in 1982 by allowing DM500m for emergencies.

The third question as to making foreign subsidiaries subject to German banking laws is about to be settled through EEC regulations.

Community guidelines that would make the foreign subsidiaries subject to

## Now there is talk of even more stringent banking supervision, even in the USA

the parent company's national banking laws have already been drafted and are ready for adoption.

As a result, German banking laws should include the obligation for banks to present the Bank Supervision

The time is ripe for the European Community to take another look at peace and security problems, says a joint report by the heads of the five major European research institutes on international affairs.

It should make a greater contribution to security policy; both at the political level and at the operational level.

Military self-reliance and a decoupling from the United States is ruled out if for no other reason than cost: defence spending would rise to domestically unacceptable levels.

The Federal Republic of Germany was represented by the research unit of the Foreign Affairs Association.

The wide-ranging report goes into what is likely to be lost if the pressure of protectionism breaks down the core of the European Community, the Common Market.

It also says that the European Monetary System should be treated as one of the key means of controlling the current economic crisis instead of being regarded merely as a part of European integration.

And it says that jargon in the EEC institutions has in a few years reached a peak of incomprehensibility.

Europe is in a flat spin, say the authors, and the only way to cope is to be prepared to apply the opposite lock, not to keep cool, calm and detached.

They have joined forces in sounding a note of alarm.

"Profound unrest and urgent anxiety prompt this report" are the opening words:

"If nothing is done we will face the disintegration of the most important European achievements since the end of the Second World War."

These words were written even before the experts could have known that alienation was in the offing between Bonn and Paris.

What they at present still diagnose as a tragedy could well turn out to be something even worse, with European countries having no-one to blame but themselves.

Thirty years after the Second World War finally deprived them of their status as the centre of the civilised world, they face the prospect of total eclipse.

The report, dramatically entitled Progress or Decline? The EEC's Decision, cannot be expected to herald a change. Bad habits are too deeply ingrained.

After all, not even direct elections to the European Assembly in 1980 succeeded in making Europe more familiar to the Europeans.

Should there be growing lack of interest next time round, in 1984, meaning an even poorer turnout, it will merely provide a further alibi for national egoism.

In effect, egoism of this kind fritters away both the individual and the common benefit that might otherwise be derived.

It is thus much to the authors' credit that they refrain from flagging the dead horse of European ideology; it is an ideology no-one is interested in hearing more about.

They make no appeal to idealism of whatever kind. They merely list everything that runs the risk of being forfeited if the core of the European Community, the Common Market, breaks down under pressure from protectionism.

These likely losses include the following:

- the trade-promoting effect of the EEC customs union;

- the quantitative advantage that has led to growing specialisation and competitiveness in the world market;

## PERSPECTIVE

# Time for Europe to stand back and look at itself

This article was written by Munich political scientist Professor Paul Noack.

- the increasing efficiency in sectors previously protected;

- the alleviation of the effect of de facto national monopolies and the availability of a larger supply of goods at lower prices (always excluding the agricultural market);

- and the advantages of increasing direct investment within member-countries.

The authors suggest that change is possible within the framework of existing structures.

They are well aware that it would be irresponsible to wait for a fundamental restructuring of the mechanisms of European integration.

That, after all, would be no more than an attempt to avoid what would then soon be inevitable.

The authors thus support the status quo. They feel existing structures are worth protecting.

Their assessment of world affairs is also conservative.

Deterrance, for example, is felt to be the only way of keeping the peace. President Reagan's versions of the future are not given a mention.

If anything, even fiercer competition between the blocs is expected. Tension is not expected to relax.

Ties with the United States, with all the contradictions they entail, are projected into the decades ahead. Europe is not even as much as considered as being on a par with the superpowers.

Despite the multi-dimensional character of the attribution of guilt this euphemism is centred on an aspect that is usually ignored when the situation in Europe is at issue.

Community jargon has in a few years reached a peak of incomprehensibility for which centuries have been necessary in some countries."

It is the security policy sector. Security is given a modern definition in that economic security is felt to be just as important as military security.

The overriding background fact is stated as follows: "Of all major trading partners only Japan is more dependent on the Community than the United States." This is one of the causes of tension in relations with the United States, which may mean to individual countries, has emerged as the main bone of contention with the United States.

The term "conservative" is not intended to imply backward in any way. There is little point in analysing the world as it might be rather than as it is.

That is why this implicitly conservative outlook has its advantages, and its finer points come to light when it is a matter of framing proposals.

They range from reciprocal recognition of academic qualifications to extending the term of office of the chairman of the Council of Ministers.

The authors are sceptical about fundamental changes in European structures, and that is what makes their point that nothing new is needed carry conviction.

It would, they argue, be enough for the European Community countries to recall the joint and successful principles of the EEC's early years.

One of their major demands is for the European Monetary System no longer to be understood merely as part and parcel of European integration.

It must, they say, be treated as what it really is, one of the key means of controlling the current economic crisis.

A greater Europeanisation of major

industries is considered necessary to ensure competitiveness on a world scale.

The authors are not alone in wondering why cooperation between Europeans and, say, American firms ought in the long run to be any easier than cooperation between companies in member-countries of the European Community.

The fact of course remains that politicians could not behave toward the EEC in the way they do if effective ties with community institutions had been established over the past 20 years.

But they haven't and the media for one are reminded of their responsibilities.

The portrayal of Community processes in the national media and public opinion is fatal for any development of common interest or prospect of compromise.

Individual Ministers are made out merely to be national champions sent into the ring to take arms against obdurate opponents and poorly-drafted proposals."

It is gratifying to note that it is also made clear that Community institutions themselves have failed to establish a place in European hearts:

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A greater Europeanisation of major

ideas of decoupling are strength in the United States basic feeling exists. There can little doubt that any such deal would be to the detriment of American interests and might to a gigantic displacement of the balance of power to the disadvantage of the United States (and, naturally, Europe as the victim).

Unich and West Berlin are about to go ahead with experimental free petrol projects.

In Munich, the plan will involve local dered acts, and why should the States be immune to a repetition of what others have made before?

The conclusion reached is that we can and militarily self-reliant without fuel.

West Berlin, the city is trying a small experiment in conjunction with community institutions had been established over the past 20 years.

But they haven't and the media for one are reminded of their responsibilities.

The authors also set aside a resurrection of the European Community.

But Europe must, says the British government has just accepted a Royal Commission report that policy both at the political level should be phased out of petrol.

That is the only way in which Munich, which has taken the lead in its own in critical crisis zones, can hold its own in critical situations.

The experts likewise keep their ground when it comes to Europe's nuclear contribution. Other natural gas and piped heating.

At street level, the air Munich breathes is no cleaner than anywhere else.

What they propose and do is to convert most of its coal- and lignite-fired heating installations into natural gas and piped heating.

Three years ago Herr Schweikl was Press spokesman at the Bavarian Environmental Affairs Ministry and a keen campaigner for clean car exhausts.

Three days ago Herr Domröse

## TRANSPORT

# Plans to go ahead with lead-free fuel trial

254,000 tonnes of nitrous oxides and 14,000 tonnes of burnt hydrocarbons.

In Germany as a whole motor vehicles are estimated to account for about 60 per cent of the carbon monoxide output, 50 per cent of the hydrocarbon output and 35 per cent of the nitrous oxide output.

The motor-car is to blame for more than 90 per cent of atmospheric pollution in the streets of German cities.

A brochure on motoring and the environment published by the Environmental Protection Agency, West Berlin, paints a grim picture of the effects of carbon monoxide.

It is said to block oxygen intake into the blood thereby leading to a shortage of oxygen in the body tissue.

This can cause headaches, dizziness, sickness, buzzing in the ears, difficulty in breathing, unconsciousness and even death.

Sufferers from cardiac and circulatory complaints in particular are in danger when pollution peaks during the rush hour or smog.

A point not made in the brochure but now considered to be an established fact is that sulphur dioxide is not alone in being blamed for tree deaths; nitrous oxides from car exhausts also contribute.

Herr Schweikl dismisses all these schemes as largely ineffective. He plans to strike at the root cause of the trouble.

Munich, if the plans Burgomaster Klesl has already approved are endorsed by the city council, will be the first city in the Federal Republic of Germany in which motorists will have to use lead-free fuel.

They argued that German engines relied on leaded fuel, whereas no comparison could be drawn with models designed for export to the United States and Japan.

Besides, what were needed were cars that used less fuel. Herr Schweikl's colleagues at the Ministry were by no means alone in being convinced that lead-free fuel was an unlikely prospect.

Oddly enough, it was a German motor manufacturer who gave him the cue for resurrecting the plans. Lead-free fuel, a BMW spokesman said, was no longer a problem for German engines.

"Technically," says Dietmar Domröse of the Munich motor manufacturers, "cars could be converted quickly."

Herr Schweikl now plans to take the industry at its word and launch a long-term experiment. The motor industry is not unhappy to fall in with his plans either.

They are a convenient opportunity of slipping out of the line of fire in which power utilities find themselves in connection with the tree death debate.

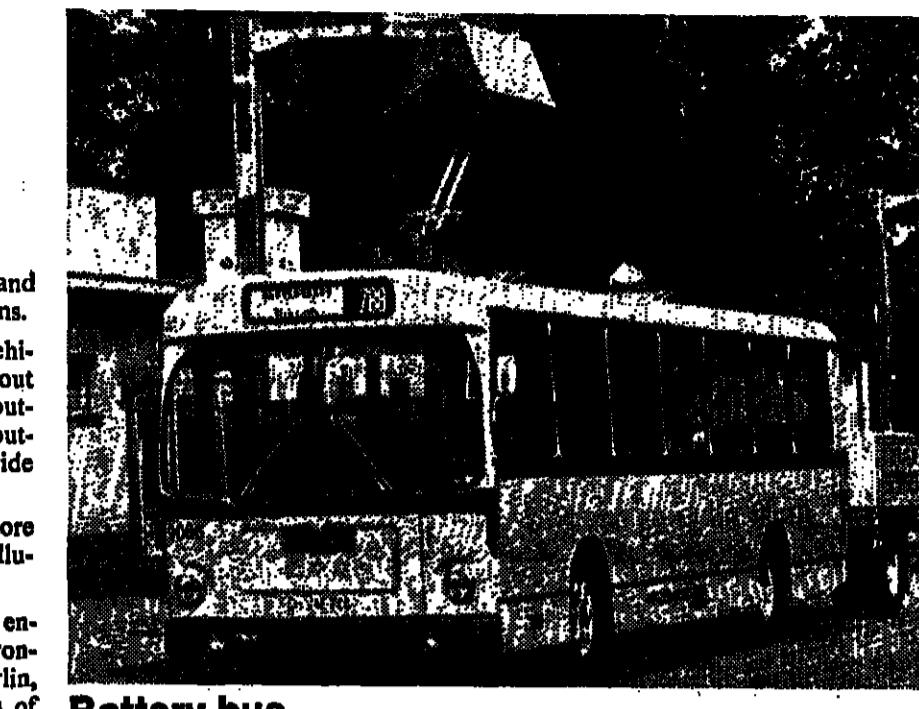
"Now," says Herr Domröse cheerfully, "the ball is in the oil industry's court." Oil refiners have argued in the past that manufacturers were not yet ready for lead-free fuel.

The ball is also in Bonn Interior Minister Friedrich Zimmermann's court. He is shortly due to confer with the Interior Ministers of the Länder and, a few days later, with motor and oil industry managers on ways and means of changing over to unleaded fuel.

Bonn is still working on the assumption that there will need to be a European solution, or an arrangement covering the entire Common Market.

Herr Schweikl is sceptical. He has a feeling it will be all words and no action.

**More expensive**



**Battery bus**

Düsseldorf's transport authority is experimenting with this new battery powered bus. It uses a roof-top collector similar to the old trolley bus arm to recharge at the terminus. (Photo: dpa)

Cities and conurbations have invested heavily in public transport and traffic schemes such as pedestrian precincts, one-way systems and linked traffic lights to keep to a minimum the harmful effects of car exhausts on residents.

The life-span of their exhausts should be twice that of conventional vehicles. Spark plugs should need replacing less often. So running costs seem sure to be lower.

Three years ago Herr Schweikl was Press spokesman at the Bavarian Environmental Affairs Ministry and a keen campaigner for clean car exhausts.

In those days the city's present experiment would have been unthinkable. Motor manufacturers took a dim view of such demands.

They argued that German engines relied on leaded fuel, whereas no comparison could be drawn with models designed for export to the United States and Japan.

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**Christian Schneider**  
(Süddeutsche Zeitung, 14 April 1983)

## DIE WELT

WABHANGIGE TAGEZEITUNG FÜR DEUTSCHLAND

### In Genf spielt Moskau auf Zeitgewinn, USA enttäuscht

Deutsche Presse-Agentur





## OUR WORLD

## Smiley's People, Smersh and that mob still hanging around in the German Cold

**E**ast Bloc intelligence work in the Federal Republic is like in other major Western countries — it involves not just politics but also military, industrial, economic and research secrets.

Germany is a favourite place for spies because of its geographical position. It is also an important member of Nato, it is economically strong and its industry and research are highly developed.

Embassies, consulates and trade missions play a major role. They give agents a cover and immunity from prosecution. They can only be expelled.

On 24 June 1981, German security officers arrested the manager of a Munich firm, Laser Electronic, and his wife as they met with the deputy leader of the Soviet trade mission, Viktor Petrovich Shepelev.

Shepelev was not only on the trade mission. He was a GRU (Soviet military intelligence) officer. His tactics en route to meeting contacts kept German counter-intelligence officers busy.

He would wander through Munich for hours, apparently without purpose. Sometimes he would go into deserted side streets and then re-emerge and go off in another direction.

His car, easily recognisable as belonging to the Soviet mission, would be left far from the meeting place.

Shepelev specialised in getting strategically important electronic devices which are on the export embargo of Comco.

Comco, consisting of the Nato countries (except Iceland) and Japan, is the organisation that decides, on a strategic basis, what should be allowed to be exported to East Bloc countries.

Shepelev failed in 1979 to get a military laser range finder but he managed to get hold of a carbon dioxide laser for DM100,000 in cash.

The device was ordered in Britain, sent to a freight forwarder in Vienna and sent on from there to Moscow.

Shepelev was expelled from the Federal Republic in July 1981. A colleague, Vladimir Kolchenko, also had to go two months later. He had offered to manage a company called Varioline DM25,000 to get a night sighting device.

Several months before Kolchenko, acting for Aviaexport, the Soviet trade agency, had tried to obtain aviation information.

A tough luck case was Gennady Artyukhovich Batashov. He was arrested outside the German Museum in Cologne in mid-February this year. His misfortune was to have operated without diplomatic immunity, meaning that he has to stand trial instead of being expelled.

Batashov's plan was to buy data transmission and coding devices on the Comco list through a management consultant and to obtain classified EEC documents and sophisticated electronic components. But the KGB agent's plans came to nought when German counter-intelligence officers intervened.

Other East Bloc countries also try to get Comco items.

Thus, for instance, the Czechoslovakian intelligence agency's Department for Science and Technology works with the Prague Ministry for Technological and Investment Development which, in

France has expelled 47 Soviet diplomats, journalists and businessmen for spying. It is not the first time a Western nation has made a mass expulsion of East Bloc envoys for this reason. It won't be the last. The Federal Republic of Germany is a favourite haunt for spies. Martin Ernst put this report together for *Rheinischer Merkur/Christ und Welt*.

its turn, controls several intelligence agents at the Czech embassy in Bonn.

The number of known or suspected spies among the employees of official and semi-official Soviet missions in the Federal Republic of Germany (total staff 408) is rising.

According to the Office for the Protection of the Constitution, there are 109 known Soviet agents. Another 77 are suspected, among them 19 out of 23 Soviet media correspondents in the Bonn/Cologne region and all seven correspondents accredited in West Berlin.

The increase at the Soviet embassy in Bonn first became conspicuous in 1981. Especially the military attaché (the post was created in 1976) expanded his staff from the original three to nine in 1981. All are members of the GRU military intelligence service.

The embassy employees working for the secret service are supported by members of the Czechoslovakian trade mission in Cologne.

Pavel Stohr, second secretary at the Czechoslovakian Embassy, even succeeded in becoming a full-fledged member of the German Society for Position Fixing and Navigation (DGON).

DGON, supported by Bonn and the individual states of the Federal Republic of Germany, develops radar, radio and space technology.

The Prague foreign trade company, Omnipol is also involved in this game. It enlisted German businessmen to obtain parts and information relating to the German Leopard II tank and the multi-role combat aircraft, the Tornado.

Even small East Bloc countries like Bulgaria are hoping to achieve a "transfer of technology" free of charge.

A commercial attaché at the Bulgarian embassy in Bonn attracted the attention of German counter-intelligence officers when he approached various German companies in a bid to obtain electronic devices and components in the fields of laser, communications, radiation, precision, semiconductor and similar technologies.

To beat Comco's restrictions, Sofia's

Continued from page 11

Beifuss, Jürgen Salk and Rainer Wanzenius.

In the unending idyll of the East Frisian countryside they portray a woman who hunts ducks for a living, lives without electricity or running water and quotes marvellous extracts from her "fan mail" in which she is hailed as a dropout.

*Familiengruft* (Family Vault), subtitled "A Love Poem to My Mother," is Maria Lang's first film. It is one the international jury seems to have missed.

She yields the fascination of an entirely subjective film language to make an extraordinary emotional confession full of silent accusation, fragile and charming detachment, and subjective personal proximity.

For 10 minutes the new subjectivity has a field day. Michael Schmitz

(Westdeutsche Allgemeine, 18 April 1983)

singers instantly claimed diginity.

There is also every reason to believe that these Soviet military could provide their fellow-spies with assistance."

It is hardly a coincidence the victim agent set up his "dead leg" along the route of one of his Glengues.

This is given weight by the final flight of the East German agent Füllie who was supposed to be a spy for the GRU experts in the Baden-Baden area. Linsmeier, a CSU member and the East German agent Werner defected in January 1979, complete with a list of spies operating in his unit.

Bonn Bundestag MP is threatening to take court action to force the car manufacturer to reduce the price of nuclear secrets and who sought refuge at the Baden-Baden GRU agent Werner Linsmeier, a CSU member and the East German agent Werner defected in January 1979, complete with a list of spies operating in his unit.

They say they are forced by the terms of their contract with the breweries to sell beer cheapest.

Breweries do indeed lean on customers.

Loans are made against an obligation to order such and such a quantity of beer in a given period.

Pubcans die by terms such as these are naturally under pressure to push the sales of beer. Often too, the more they sell the higher the profit margin.

Breweries disclaim responsibility. They say they don't dictate prices in any way. Pubcans are free to charge what they want and to sell non-alcoholic drinks for the same price as their beer, or less, if they want to.

So the two brewers' associations lay the blame fairly and squarely at the retailers' door, while pubcans just as energetically disclaim responsibility for obscuring religious denominations.

"Alcoholism," say Frithjof Wahl of

the Hotel and Catering Association,

"begins at home." Yet he admits that

drinking could be dangerous.

That is why the association advises

members to sell at least one non-alcoholic drink for no more than the price they charge for the cheapest alcoholic one.

Pubcans and caterers are unlikely to take kindly to this recommendation.

They calculate turnover by the number of chairs they have, and no-one likes to see a customer spending too much time sipping at a glass of mineral water.

They order a beer, then usually another. In up-market discos the difference in price between beer and soft drink is even more striking.

With beer at DM3 and a Coke at

DM1.20, it is predictable what will be done.

Even in those discos where

there are all the same price people

order alcohol because they feel better value.

But Germans still look on beer as a harmless drink: a quencher of thirst and a liquid foodstuff. But narcoleptics tend to look on it as the best road to addiction.

Many people have yet to appreciate

beer, too, is alcohol," says Professor

Hippolyte of the psychiatric

unit at Munich University Hospital.

There is a lot of youth alcoholism. A

study in Bavaria has revealed that 37

per cent of Bavarian juveniles, or

youngsters, are beer-drinkers.

Ninety-nine per cent, or 1,560,000,

regularly drink alcohol, while in Ger

many as about 100,000 under-

18 are classified as alcoholics.

It may be difficult to explain to many

why beer, just like schnapps, is alcohol.

It is even harder to understand why

beer, too, is so often much less expensive

soft drinks in bars and discos

where young people congregate.

At least as expensive it is. Bar-owners

buy beer for roughly a third less

beer yet sell it for at least a third

more.

For the counter-intelligence

in West Germany, this amounts

to buying needles in the haystack of

12,000 and 15,000 East Germans

come to the West every year.

So GDR spies, unlike the

East Germans, do not have to

do without diplomatic immunity.

If Chancellor Kohl wanted to

order a mass expulsion of

Spies — which is most unlikely

Soviet embassy in Bonn would

self with only half its normal staff

the East German mission would

be unscathed.

100-litre barrel of beer costs

DM150, as against DM100 for

mineral water. That comes

out on paper, to 500 small beers

at, say, DM1.20, or a total tur-

no publicans can hardly argue that an

higher profit margin on soft drinks

is economic necessity.

## MODERN LIVING

# Expensive soft-drink policy in pubs is luring youth to alcohol, accuses MP

alcoholic drink were the cheapest on the menu.

Forty-five per cent said they never touched alcohol; 31 per cent said they would still drink alcohol; and 23 per cent said they would swap to the non-alcoholic drink.

Here Linsmeier has had the issue probed from the legal angle in a survey drawn up for him by the backroom boys at the Bonn Bundestag.

They say that publicans (and there are many of them) who charge the same price or more for non-alcoholic drinks as for alcoholic beverages are in breach of the Licensed Premises Act.

They also say that the prices charged for non-alcoholic drinks must in general be lower than for alcoholic ones.

Wolfgang Hoffmann

(Die Zeit, 8 April 1983)

## Lifeline for young victims of 'religious Pied Pipers'

West Berlin municipal authorities and the Protestant Church have set up a telephone "lifeline" for young people in need of help to break with friends and parents and made financially dependent.

The dangerous sects, in the opinion of specialists, include the Bhagwan movement, the Scientology Church, the AAO (short for Aktionsanalytische Organisation) and the Process Rantette association.

Thomas Gandow, 36, the Protestant minister who runs the service, says sects and youth religions have a firm hold on over 10,000 young people in the city.

So a special unit of the municipal youth department has been set up to work full-time on observation and analysis of the activities and recruitment methods of roughly 500 religious youth groups in Berlin.

Initial invitations are to unexpected discussion groups, stage performances and nature cure or slimming courses.

At these courses young people are brought under psychological control by means of meditation, hypnosis and mystical rites.

Berlin more than other German cities is seen by youth sects as the foremost test market and centre of activities at present, he says.

Bavarian Economic Affairs Minister Anton Jäumann feels this is a very short-sighted outlook. More than once he has appealed to pubcans to sell at least one non-alcoholic drink for no more than the price of a beer.

Beer soon goes stale.

Beer is not the cheapest drink in many bars.

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